

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
BIG LOTS, INC., <i>et al.</i> ,) Case No. 24-11967 (JKS)
)
) (Jointly Administered)
Debtors. ²)
) Hearing Date: February 26, 2025 at 10:30 a.m. (ET)
) Objection Deadline: February 19, 2025 at 4:00 p.m. (ET)
) Re: Docket Nos. 1247, 1441, 1841
)

**SUMMARY OF FIRST INTERIM FEE APPLICATION OF
McDERMOTT WILL & EMERY LLP, COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE
PERIOD FROM SEPTEMBER 24, 2024 THROUGH DECEMBER 31, 2024**

Name of Applicant:	McDERMOTT WILL & EMERY LLP
Authorized to provide professional services to:	Official Committee of Unsecured Creditors of Big Lots, Inc., <i>et al.</i>
Date of retention:	November 13, 2024, effective September 24, 2024
Period for which compensation and reimbursement are sought:	September 24, 2024 through December 31, 2024
Amount of compensation sought as actual, reasonable, and necessary:	\$4,034,573.00
Amount of expense reimbursement sought as actual, reasonable, and necessary:	\$23,740.17

² The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Brophyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors' corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

Amount of compensation approved as actual, reasonable, and necessary: **\$2,691,914.80³**

Amount of expense reimbursement approved as actual, reasonable, and necessary: **\$22,377.53⁴**

Amount of holdback fees sought:⁵ **\$806,914.60**

This is an: **Interim Fee Application**

SUMMARY OF MONTHLY FEE APPLICATIONS FOR INTERIM FEE PERIOD

MONTHLY FEE APPLICATION			REQUESTED FEES AND EXPENSES		APPROVED FEES AND EXPENSES		HOLDBACK
Application Docket No. Date Filed	CNO Date Filed Docket No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees (80%)	Approved Expenses (100%)	Fees Holdback (20%)
First Monthly DI 1247 11/25/24	12/17/24 DI 1372	9/24/24-10/31/24	\$1,551,738.00	\$6,679.15	\$1,241,390.40	\$6,679.15	\$310,347.60
Second Monthly DI 1441 12/27/24	1/21/25 DI 1806	11/1/24-11/30/24	\$1,813,155.50	\$15,698.38	\$1,450,524.40	\$15,698.38	\$362,631.10
Third Monthly DI 1841 1/24/25	N/A	12/1/24-12/31/24	\$669,679.50	\$1,362.64	Pending	Pending	\$133,935.90
Total			\$4,034,573.00	\$23,740.17	\$2,691,914.80	\$22,377.53	\$806,914.60

³ If no objections are received by February 14, 2025 to McDermott Will & Emery LLP's third monthly fee application [Docket No. 1841], an additional \$535,743.60 in fees will be approved.

⁴ If no objections are received by February 14, 2025 to McDermott Will & Emery LLP's third monthly fee application [Docket No. 1841], an additional \$1,362.64 in expenses will be approved.

⁵ Applicant seeks allowance of the 20% holdback for its first, second, and third monthly fee applications [Docket Nos. 1247, 1441, 1841].

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF BIG LOTS, INC., ET AL.
SUMMARY OF BILLING BY PROFESSIONAL
SEPTEMBER 24, 2024 THROUGH DECEMBER 31, 2024**

Name of Professional Person	Date of Bar Admission	Position with the Applicant and Practice Area	Hourly Billing Rate ⁶	Total Billed Hours	Total Compensation
Andrew B. Kratenstein	2000	Partner; Trial	\$1,905	38.7	\$73,723.50
Joel C. Haims	1994	Partner; Trial	\$1,830	174.4	\$319,152.00
Kristin K. Going	2002	Partner; Corporate Advisory	\$1,750	178.2	\$311,850.00
David R. Hurst	1998	Partner; Corporate Advisory	\$1,750	51.1	\$89,425.00
Darren Azman	2011	Partner; Corporate Advisory	\$1,650	201.8	\$332,970.00
Stacy A. Lutkus	2003	Partner; Corporate Advisory	\$1,650	443.8	\$732,270.00
Monica Asher	2009	Partner; Trial	\$1,590	31.5	\$50,085.00
Zena M. Ho	2009	Partner; Corporate Advisory	\$1,575	4.3	\$6,772.50
Kelly D. Newsome	2015	Partner; White Collar & Securities	\$1,525	60.1	\$91,652.50
Deanna Boll	1998	Counsel; Corporate Advisory	\$1,395	48.1	\$67,099.50
Kristine Suh	1997	Counsel; Corporate Advisory	\$1,395	46.8	\$65,286.00
Eric C. Seitz	2009	Counsel; Corporate Advisory	\$1,390	31.9	\$44,341.00
Daniel A. Thomson	2019	Associate; Corporate Advisory	\$1,290	139.9	\$180,471.00

⁶ Except as set forth below, the rate represents the current standard hourly rate of each McDermott attorney and paralegal who rendered legal services.

Name of Professional Person	Date of Bar Admission	Position with the Applicant and Practice Area	Hourly Billing Rate ⁶	Total Billed Hours	Total Compensation
Ana A. Hubert	2019	Associate; Corporate Advisory	\$1,245	2.5	\$3,112.50
Graciany Miranda	2019	Associate; Corporate Advisory	\$1,245	3.6	\$4,482.00
Natalie A. Rowles	2018	Associate; Corporate Advisory	\$1,245	460.9	\$573,820.50
Chris Combs	2021	Associate; Trial	\$1,200	121.7	\$146,040.00
Catherine T. Lee	2021	Associate; Corporate Advisory	\$1,155	9.9	\$11,434.50
Elizabeth H. Shereff	2022	Associate; Trial	\$1,040	239.4	\$248,976.00
Grayson W. Williams	2021	Associate; Corporate Advisory	\$1,040	191.4	\$199,056.00
Cristian P. Catanese	2023	Associate; Corporate Advisory	\$925	167.4	\$154,845.00
Jesse Horowitz	N/A	Associate; Trial	\$805	63.6	\$51,198.00
Leslie N. Ramirez	N/A	Associate; Trial	\$805	146.0	\$117,530.00
Amanda Smith	2022	Associate; Trial	\$805	16.4	\$13,202.00
Michael D. Wombacher	2022	Associate; Corporate Advisory	\$805	148.5	\$119,542.50
Daniel D. Northrop	N/A	Paralegal; Corporate Advisory	\$745	4.3	\$3,203.50
Raniel Dizon	N/A	Technology Project Manager	\$570	2.7	\$1,539.00
Serena J. Wright	N/A	Technology Project Manager	\$570	16.3	\$9,291.00
Jessica M. Hirshon	N/A	Paralegal; Corporate Advisory	\$565	5.6	\$3,164.00

Name of Professional Person	Date of Bar Admission	Position with the Applicant and Practice Area	Hourly Billing Rate ⁶	Total Billed Hours	Total Compensation
Kate K. Delcoure	N/A	Paralegal; IP Prosecution, Transactions & Strategy	\$525	2.9	\$1,522.50
Nolley M. Rainey	N/A	Paralegal; Corporate Advisory	\$500	5.4	\$2,700.00
Andy Garcia	N/A	Litigation Technology Data Analyst	\$280	8.0	\$2,240.00
Daniel Valentino	N/A	Litigation Technology Data Analyst	\$280	9.2	\$2,576.00
Total				3,076.3	\$4,034,573.00

All Timekeepers Blended Hourly Rate: \$1,311.50
Attorney Blended Hourly Rate: \$1,326.43

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF BIG LOTS, INC., ET AL.
COMPENSATION BY PROJECT CATEGORY**
SEPTEMBER 24, 2024 THROUGH DECEMBER 31, 2024

Project Category	Total Hours	Total Fees
Case Administration	312.9	\$384,960.00
Asset Disposition	132.0	\$188,529.00
Automatic Stay	4.3	\$4,473.50
Meetings and Communications with Creditors	486.6	\$628,707.00
Court Hearings	302.3	\$447,038.50
Fee/Employment Applications	92.8	\$135,949.00
Assumption/Rejection of Leases	1.9	\$2,119.50
Contested and Litigation-Related Matters	1,224.8	\$1,535,995.00
Non-Working Travel	13.4	\$22,217.50
Employee Benefits/Pensions	13.2	\$15,614.00
Financing/Cash Collateral	435.8	\$597,808.50
Vendor Matters	33.0	\$47,690.50
Insurance Matters	21.8	\$21,788.00
Claims Administration/Objections	0.9	\$936.00
Plan/Disclosure Statement	0.6	\$747.00
TOTALS	3,076.3	\$4,034,573.00

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF BIG LOTS, INC., ET AL.
EXPENSE SUMMARY**
SEPTEMBER 24, 2024 THROUGH DECEMBER 31, 2024

Expense Category	Service Provider (if applicable)	Total Expenses
Transcripts	Reliable	\$3,473.20
Lien Searches	CT Corporation; Stewart Title	\$8,918.20
Online Research	CourtAlert.com Inc.	\$66.69
Express Mail	Federal Express	\$277.18
Transportation	Various	\$7,066.32
Lodging	Various	\$2,608.88
Business Meals	Various	\$1,329.70
TOTAL		\$23,740.17

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FOR THE DISTRICT OF DELAWARE**

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) (Jointly Administered)
Debtors. ¹)
) Obj. Deadline: 2/19/25 at 4:00 p.m. (ET)
) Hrg. Date: 2/26/25 at 10:30 a.m. (ET)
) Re: Docket Nos. 1247, 1441, 1841
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**FIRST INTERIM FEE APPLICATION OF McDERMOTT
WILL & EMERY LLP, COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM SEPTEMBER 24, 2024 THROUGH DECEMBER 31, 2024**

McDermott Will & Emery LLP (the “Applicant” or “McDermott”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Big Lots, Inc., *et al.*, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), hereby applies (the “Interim Fee Application”), pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Retained*

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

Professionals [Docket No. 519] (the “Interim Compensation Order”),² for allowance of compensation for services rendered and reimbursement of expenses incurred during the interim period from September 24, 2024 through December 31, 2024 (the “Interim Fee Period”). In support of the Interim Fee Application, McDermott submits the Certification of Darren Azman, attached hereto as Exhibit A. In further support of the Interim Fee Application, McDermott respectfully represents as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider the Application pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Application in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The legal predicates for the relief requested herein are Bankruptcy Code sections 330 and 331, Bankruptcy Rule 2016, and Local Rule 2016-2.

3. McDermott confirms its consent, pursuant to Local Rule 9013-1(f), to the entry of a final order by the Court in connection with the Application in the event that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

BACKGROUND

A. The Chapter 11 Cases

4. On September 9, 2024 (the “Petition Date”), the Debtors commenced the Chapter 11 Cases by filing petitions for relief under chapter 11 of the Bankruptcy Code with the Court.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Interim Compensation Order.

The Debtors continue to operate their businesses and manage their properties as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

5. On September 23, 2024, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the Committee under section 1102(a)(1) of the Bankruptcy Code. *See* Docket No. 248.

B. The Committee’s Retention of McDermott

6. On October 18, 2024, the Committee applied [Docket No. 552] to the Court for an order authorizing the Committee to retain and employ McDermott as its counsel, effective as of September 24, 2024. On November 13, 2024, the Court entered an order [Docket No. 1083] authorizing such retention.

C. The Interim Compensation Order

7. On October 17, 2024, the Court entered the Interim Compensation Order, which established the procedures for interim compensation and reimbursement of expenses in the Chapter 11 Cases.

RELIEF REQUESTED

8. By the Interim Fee Application, Applicant seeks interim approval and allowance of compensation for professional services rendered in the amount of \$4,034,573.00, and reimbursement of actual and necessary expenses incurred in the amount of \$23,740.17, during the Interim Fee Period, including any and all holdbacks. Pursuant to the Interim Compensation Order, and as detailed in the chart below, McDermott filed three monthly fee applications during the Interim Fee Period that have not been heard by the Court for interim approval [Docket Nos. 1247, 1441, 1841] (collectively, the “Monthly Applications”):

MONTHLY FEE APPLICATION			REQUESTED FEES AND EXPENSES		APPROVED FEES AND EXPENSES		HOLDBACK
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Total			\$4,034,573.00	\$23,740.17	\$2,691,914.80	\$22,377.53	\$806,914.60

9. In support of this request for the interim allowance of all fees and expenses incurred by Applicant during the Interim Fee Period, McDermott incorporates herein by reference its Monthly Applications.

NOTICE

10. As required under the Interim Compensation Order, the Interim Fee Application will be served on the Compensation Notice Parties. Moreover, notice of the hearing on the Interim Fee Application will be served on all parties that have requested notice in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002.

NO PRIOR REQUEST

11. No prior request for the relief sought in the Interim Fee Application has been made to this or any other court.

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WHEREFORE, McDermott respectfully requests that the Court enter an Order:

(i) granting the Interim Fee Application and authorizing interim allowance of compensation for professional services rendered in the amount of \$4,034,573.00, and reimbursement for actual and necessary costs incurred in the amount of \$23,740.17, (ii) directing payment by the Debtors of the foregoing amounts, including the 20% holdback of fees, as provided for in the Interim Compensation Order, and (iii) granting such other and further relief as the Court deems just and proper.

Dated: Wilmington, Delaware
January 29, 2025

McDERMOTT WILL & EMERY LLP

/s/ David R. Hurst
David R. Hurst (I.D. No. 3743)
The Brandywine Building
1000 N. West Street, Suite 1400
Wilmington, Delaware 19801
(302) 485-3900
dhurst@mwe.com

- and -

Darren Azman
Kristin K. Going
One Vanderbilt Avenue
New York, New York 10017
(212) 547-5400
dazman@mwe.com
kgoing@mwe.com

*Counsel for the Official Committee
of Unsecured Creditors*